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temperature of 3 degrees Fahrenheit. The wind chill equivalent temperature is based on the average monthly temperature and wind of the coldest month for each of the past 3 consecutive years.

APPENDIX B TO PART 110—FORMULA FOR ROTC COMMUTATION RATES

Basic Course (General Military Course)

Total Pkg. Cost of Auth. Items+10% Procurement Cost=Adjusted Pkg. Cost—Amortized by: 2-Yr. Life Shoes & Socks; 2-Yr. Life Insignia; 5-Yr. Life Bal. of Pkg.
+15% Custodial Fees+\$10.00 Uniform Alteration and Maint.=Net Rate Per Yr. (Rounded to nearest \$)

Advanced Course (Professional Officers Course)

Total Pkg. Cost of Auth. Items—½ Amt. of Insignia Cost (2-yr. Amortization)+5% Custodial Fees+\$10.00 Uniform Alteration & Maint.=Net Rate 2-yr. period (Rounded to nearest \$)

Summer Camp (Field Training)

Total Pkg. Cost of Auth. Items—Amortized by 2-yr. Life (Entire pkg., except shoes and socks)+5% Custodial Fees+\$10.00 Uniform Alteration & Maint.=Net Rate 2-yr. period (Rounded to nearest \$)

APPENDIX C TO PART 110—APPLICATION OF BASIC COURSE FORMULA (MALE AND FEMALE MEMBERS) (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$159.29	\$180.62
Plus 10% procurement cost	15.93	18.06
Adjusted package cost	175.22	198.68
Amortization:		
2-years socks (50% of \$1.28)64	.64
2-years shoes (50% of 14.00)	7.00	7.00
2-years insignia (50% of 15.00), if applicable	7.50	7.50
5-years balance package (20% of \$144.94, Zone I) (20% of \$168.40, Zone II)	28.99	33.68
Amortized package cost	44.13	48.82
Add:		
15% custodial fees (15% of amortized package cost)	6.62	7.32
Uniform Alteration and Maintenance	10.00	10.00
Total	16.62	17.32
Net rate	60.75	66.14
Rounded for official standard rate (per year)	61.00	66.00
Special commutation rate (per year) (three times standard rate)	183.00	198.00

APPENDIX D TO PART 110—APPLICATION OF ADVANCED COURSE FORMULA (MALE AND FEMALE MEMBERS) (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$159.29	\$180.62
Less insignia amortization (50% of \$15.00), if applicable	7.50	7.50
Adjusted package cost	151.79	173.12
Add:		
5% custodial fees (5% of adjusted package cost) ...	7.59	8.66
Uniform alteration and maintenance	10.00	10.00
Total	17.59	18.66
Net Rate	169.38	191.78
Rounded official standard rate (2 years)	169.00	192.00
Special commutation rate (2 years) (three times standard rate)	507.00	576.00

APPENDIX E TO PART 110—APPLICATION OF 4-WEEK SUMMER FIELD TRAINING FORMULA (SAMPLE)

	Zone I	Zone II
Total package cost (authorized items)	\$36.56	\$48.70
Amortization Schedule:		
Total package less \$12.75 (boots and socks) (not reissued)	23.81	35.95
50% amortization (2-year life)	11.91	17.98
Boots and socks added	12.75	12.75
Amortized package cost	24.66	30.73
Add:		
5% custodial fees	1.23	1.54
Uniform alteration and maintenance	10.00	10.00
Net rate	35.89	42.27
Rounded for official rate	36.00	42.00

PART 112—INDEBTEDNESS OF MILITARY PERSONNEL

Sec.

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- 112.6 Processing of involuntary allotments.
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AUTHORITY: 5 U.S.C. 5520a(k) and 10 U.S.C. 113(d).

SOURCE: 73 FR 59502, Oct. 9, 2008, unless otherwise noted.

§ 112.1 Purpose.

This part:

- (a) Updates DoD policies and assigns responsibilities governing delinquent

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indebtedness of members of the Military Services and prescribes policy for processing involuntary allotments from the pay of military members to satisfy judgment indebtedness in accordance with 5 U.S.C. 5520a(k).

(b) Establishes responsibility for procedures implementing 5 U.S.C. 5520a(k), 15 U.S.C. 1601 note, 1601–1614, 1631–1646, 1661–1665a, 1666–1666j, and 1667–1667e (“Truth in Lending Act”), and 15 U.S.C. 1601 note, and 1692–1692o (“Fair Debt Collection Practices Act”).

§ 112.2 Applicability and scope.

(a) This part applies to the Office of the Secretary of Defense, the Military Departments (including the Coast Guard when it is not operating as a Service in the Navy, under agreement with the Department of Homeland Security), the Chairman of the Joint Chiefs of Staff, the Combatant Commands, the Office of the Inspector General of the Department of Defense, the Defense Agencies, the DoD Field Activities, and all other organizational entities in the Department of Defense (hereafter referred to collectively as the “DoD Components”).

(b) This part does not apply to:

(1) Indebtedness of a member of the Military Services to the Federal Government.

(2) Processing of indebtedness claims to enforce judgments against military members for alimony or child support.

(3) Claims by State or municipal governments under the processing guidelines for complaints, including tax collection actions.

§ 112.3 Definitions.

(a) *Absence.* A member’s lack of an “appearance,” at any stage of the judicial process, as evidenced by failing to physically attend court proceedings; failing to be represented at court proceedings by counsel of the member’s choosing; or failing to timely respond to pleadings, orders, or motions.

(b) *Court.* A court of competent jurisdiction within any State, territory, or possession of the United States.

(c) *Debt Collector.* An agency or agent engaged in the collection of debts described under 15 U.S.C. 1601 note and 1692–1692o (“Fair Debt Collection Practices Act”).

(d) *Exigencies of Military Duty.* A military assignment or mission-essential duty that, because of its urgency, importance, duration, location, or isolation, necessitates the absence of a member of the Military Services from appearance at a judicial proceeding or prevents the member from being able to respond to a notice of application for an involuntary allotment. Exigency of military duty is normally presumed during periods of war, national emergency, or when the member is deployed.

(e) *Judgment.* A final judgment must be a valid, enforceable order or decree, by a court from which no appeal may be taken, or from which no appeal has been taken within the time allowed, or from which an appeal has been taken and finally decided. The judgment must award a sum certain amount and specify that the amount is to be paid by an individual who, at the time of application for the involuntary allotment, is a member of the Military Services.

(f) *Just Financial Obligation.* A legal debt acknowledged by the military member in which there is no reasonable dispute as to the facts or the law; or one reduced to judgment that conforms to Sections 501–591 of title 50 Appendix, United States Code (The Servicemembers Civil Relief Act, as amended), if applicable.

(g) *Member of the Military Services.* For the purposes of this part, any member of the Regular Army, Air Force, Navy, Marine Corps, or Coast Guard, and any member of a Reserve component of the Army, Air Force, Navy, Marine Corps, or Coast Guard (including the Army National Guard of the United States and the Air National Guard of the United States) on active duty pursuant to a call or order for a period in excess of 180 days at the time an application for involuntary allotment is received by the Director, DFAS, or Commanding Officer, Coast Guard Pay and Personnel Center. The following shall not be considered members:

(1) Retired personnel, including those placed on the temporary or permanent disabled retired list; and

(2) Personnel in a prisoner of war or missing in action status, as determined

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by the Secretary of the Military Department concerned.

§ 112.4 Policy.

(a) Members of the Military Services are expected to pay their just financial obligations in a proper and timely manner. A Service member's failure to pay a just financial obligation may result in disciplinary action under the Uniform Code of Military Justice (10 U.S.C. 801-940) or a claim pursuant to Article 139 of the Uniform Code of Military Justice. Except as stated in this section, and in paragraphs (a)(1) and (a)(2) of this section, the DoD Components have no legal authority to require members to pay a private debt or to divert any part of their pay for satisfaction of a private debt.

(1) Legal process instituted in civil courts to enforce judgments against military personnel for the payment of alimony or child support shall be acted on pursuant to 42 U.S.C. 651-665, and Chapter 50, of Department of Defense Regulation 7000.14-R Volume 7A.¹

(2) Involuntary allotments under 5 U.S.C. 5520a(k) shall be established in accordance with this part.

(b) Whenever possible, indebtedness disputes should be resolved through amicable means. Claimants may contact military members by having correspondence forwarded through the military locator services for an appropriate fee.

§ 112.5 Processing of debt complaints.

(a) Debt complaints meeting the requirements of this part and procedures established by the Under Secretary of Defense for Personnel and Readiness, as required by § 112.7(a)(1) shall receive prompt processing assistance from commanders.

(b) Assistance in indebtedness matters shall not be extended to those creditors:

(1) Who have not made a bona fide effort to collect the debt directly from the military member;

(2) Whose claims are patently false and misleading; or

(3) Whose claims are obviously exorbitant.

(c) Some States have enacted laws prohibiting creditors from contacting a debtor's employer about indebtedness or communicating facts on indebtedness to an employer unless certain conditions are met. The conditions that must be met to remove this prohibition are generally such things as reduction of a debt to judgment or obtaining written permission of the debtor.

(1) At DoD installations in States having such laws, the processing of debt complaints shall not be extended to those creditors who are in violation of the State law. Commanders may advise creditors that this rule has been established because it is the general policy of the Military Services to comply with State law when that law does not infringe upon significant military interests.

(2) The rule in paragraph (c)(1) of this section shall govern even though a creditor is not licensed to do business in the State where the debtor is located. A similar practice shall be started in any State enacting a similar law regarding debt collection.

(3) Pursuant to 15 U.S.C. 1601 note and 1692-1692o ("Fair Debt Collection Practices Act"), contact by a debt collector with third parties, such as commanding officers, for aiding debt collection is prohibited without a court order or the debtor's prior consent given directly to the debt collector. Creditors are generally exempt from this requirement, but only when they collect on their own behalf.

§ 112.6 Processing of involuntary allotments.

Pursuant to 5 U.S.C. 5520a(k): (a) In those cases in which the indebtedness of a military member has been reduced to a judgment, an application for an involuntary allotment from the member's pay may be made under procedures prescribed by the Under Secretary of Defense (Comptroller). Such procedures shall provide the exclusive remedy available.

(b) An involuntary allotment from a member's pay shall not be permitted in any indebtedness case in which:

(1) Exigencies of military duty caused the absence of the member from

¹Copies may be obtained from the DoD Directives Web page at: <http://www.dtic.mil/whs/directives>.

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the judicial proceeding at which the judgment was rendered; or

(2) There has not been compliance with the procedural requirements of the Servicemembers Civil Relief Act 50, U.S.C. Appendix, sections 501–591.

§ 112.7 Responsibilities.

(a) The Under Secretary of Defense for Personnel and Readiness shall:

(1) In consultation with the Under Secretary of Defense (Comptroller), establish procedures for the processing of debt complaints.

(2) Have policy oversight on the assistance to be provided by military authorities to creditors of military personnel who have legitimate debt complaints.

(b) The Under Secretary of Defense (Comptroller) shall:

(1) In consultation with the Under Secretary of Defense for Personnel and Readiness establish procedures for processing debt complaints, and administer and process involuntary allotments from the pay of members of the Military Services. This includes the authority to promulgate forms necessary for the efficient administration and processing of involuntary allotments.

(2) Ensure that the Director, Defense Finance and Accounting Service:

(i) Implements procedures established by the Under Secretary of Defense for Personnel and Readiness and the Under Secretary of Defense (Comptroller).

(ii) Considers whether Servicemembers Civil Relief Act 50 U.S.C. Appendix, sections 501–591 has been complied with pursuant to 5 U.S.C. 5520a(k) prior to establishing an involuntary allotment against the pay of a member of the Military Services.

(iii) Publishes, prints, stocks, redistributes, and revises DoD forms necessary to process involuntary allotments.

(c) The Heads of the DoD Components shall urge military personnel to meet their just financial obligations, since failure to do so damages their credit reputation and affects the public image of all DoD personnel. See DoD Directive 5500.7.²

(d) The Secretaries of the Military Departments shall:

(1) Establish, as necessary, procedures to administer and process involuntary allotments from the pay of members of the Military Services. This includes designating those commanders, or other officials who may act in the absence of the commander, who shall be responsible for determining whether a member's absence from a judicial proceeding was caused by exigencies of military duty, and establishing appeal procedures regarding such determinations.

(2) Require commanders to counsel members to pay their just debts, including complying, as appropriate, with court orders and judgments for the payments of alimony or child support.

(3) Emphasize prompt command action to assist with the processing of involuntary allotment applications.

(e) The Chief, Office of Personnel and Training, for the Coast Guard shall:

(1) Establish, as necessary, procedures supplemental to those promulgated by the Under Secretary of Defense for Personnel and Readiness or the Under Secretary of Defense (Comptroller) to administer and process involuntary allotment from the pay of members of the Military Services; this includes the authority to promulgate forms necessary for the efficient administration and processing of involuntary allotments.

(2) Ensure that the Commanding Officer, Coast Guard Pay and Personnel Center:

(i) Implements procedures established by the Under Secretary of Defense for Personnel and Readiness, the Under Secretary of Defense (Comptroller), and Chief, Office of Personnel and Training.

(ii) Considers whether the Servicemembers Civil Relief Act, as amended (50 U.S.C. Appendix, sections 501–591) has been complied with pursuant to 5 U.S.C. 5520a(k) prior to establishing an involuntary allotment against the pay of a member of the Military Services.

(iii) Acts as the Coast Guard manager for forms necessary to process involuntary allotments.

²See footnote 1 to § 112.4(a)(1).